



**Tennessee Department of Commerce & Insurance
Division of Regulatory Boards
BOARD FOR LICENSING CONTRACTORS**

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LICENSE & BIDDING REQUIREMENTS - SUMMARY

The following information is compiled from laws, rules and regulations, as well as from past decisions made by the Board to offer as guidance. It is up to the awarding authority to review bids and make a determination to accept a bid; or reject a bid due to the contractor's failure to comply with the bidding law.

Should the Board receive a complaint of where the law may have been violated, the full Board would review through the complaint filing process to determine any law violations. If it is determined a violation has occurred, the contractor may be penalized according to the civil penalties outlined in the law, rules and regulations. Citations with an order to "Cease and Desist" may be issued by the Board office for unlicensed activity. Inquires requesting opinions may be submitted in writing to the Director and a response in writing may be provided, however, a formal opinion cannot be issued unless presented to the full Board at their regularly scheduled or special called meetings (see "Calendar" on the Board's website for dates). Please note, "Commercial" (BC or BC-B) contractors are considered acceptable to bid any type of project, with the exception of the bidding law requirements under T.C.A. § 62-6-119. Otherwise, the classification must cover 60% of the project (see T.C.A. 62-6-111[d]).

To ensure contractors are properly licensed with the appropriate license classification, monetary limit, current expiration date, and the exact name as licensed, you may request a copy of their license for evidence; however it is best to confirm their status at the Board's website at the "License Search" link at: <http://verify.tn.gov/>

Contractor's License Requirements

A contractor's license is required for **prime** contractors where the total cost is ***\$25,000 or more**, prior to offering a price or bid; and also by **subcontractors** performing **electrical, plumbing, HVAC, mechanical**; and effective January 1, 2011, **masonry subcontractors** where the total cost (*including materials and labor*) is ***\$100,000 or more**.

**License required for projects \$25,000 except for masonry (\$100,000)*

Bid Envelope Listing (\$25,000 and Up)

For projects \$25,000 or more, T.C.A. §62-6-119 requires the **Prime**, (general) contractor to list their contractor license information on the outside of the bid envelope (*or electronic bid*), with the **Name** as licensed, **License Number**, **Expiration Date** and the **Classification** applying to the bid. In addition to the prime, the contractor license information must also be included for the **Electrical, Plumbing, and HVAC** contractors, unless their portion (*each discipline/field*) is less than \$25,000. Effective July 1, 2010, the amendment to Public Chapter 768 now requires the **Masonry** contractor to also be listed, unless the masonry portion is less than ***\$100,000 (including materials and labor)**. (Note: [HB0043](#) for 2011 legislation has been filed to reinstate the requirement for listing **geothermal** well drillers on the outside of the bid envelope.)

It is the responsibility of the subcontractor to provide evidence of their license to the prime contractor to ensure their name, license ID#, and classification is listed correctly on the outside of the bid envelope to prevent the entire bid from being rejected

*See Rule 0680-1-.25 – Contractors must bid, contract and operate in the exact **name** as licensed.*

Bid Envelope Listing (Less than \$25,000)

If the amount of the subcontractor's portion is **less than \$25,000**, the law states in T.C.A. § 62-6-119, licensing information **MAY** be listed. Therefore, the Board for Licensing Contractors has not considered it a violation of law for failure of the prime contractor to list the subcontractor's information, if the sub's total portion is less than \$25,000 (*including materials and labor*), or in the case of masonry, less than \$100,000. Materials and labor cannot be deducted to circumvent the law.

Note: Always follow the bidding instructions. Some awarding authorities may add an additional requirement to their solicitation and request the prime to list a "Name" and you would need to comply with their requirement in order for the bid to be considered by them.

It is very important to follow the bidding instructions and to also have the subcontractor supply the prime contractor with a copy of your license which may be obtained at: <http://verify.tn.gov/> The law further states, "the failure of any bidder to comply with all of the provisions hereof shall automatically disqualify such bid." Therefore, if a bid is improperly submitted and not rejected, should a complaint come before the Board for this violation, disciplinary action may be taken.

Geothermal

Public Chapter 801 temporarily deleted the requirement to list geothermal license information of Tennessee Department of Environment and Conservation (TDEC) well driller licensees, as implemented by the 2008 Public Chapter 792, However, HB0043 has been filed to reinstate this requirement during the 2011 legislative session.

Monetary Limit Designated on a Contractor's License

Please note, the prime contractor's license limit must cover the total cost (including materials and labor) of the project and contracts cannot be split to circumvent the law. See Rule 0680-1-.13. In addition, the subcontractor's (electrical, HVAC, plumbing, mechanical, *masonry) license must cover the entire portion of their work. For example, the prime contractor cannot supply the plumbing equipment as a means to ensure the plumber's portion is within their monetary limit. See Rule 0680-1-.13. There is a 10% bid tolerance. The contractor's license limit is determined by the Board and is based on both their financial statement and experience.

Contractor License Classification

The contractor must be licensed with the proper license classification to cover at least 60% of the project or have a commercial license, unless the work is for electrical, mechanical, plumbing, HVAC or *Masonry. See the outline of license classifications from our website at:

<http://tn.gov/commerce/boards/contractors/documents/ClassificationOutlineWeb.pdf>

**Effective January 1, 2011, BC (commercial) or BC-9 (Masonry), will not cover masonry projects and contractors will be required to take the newly developed masonry exam to be implemented September 1, 2010.*

<http://tn.gov/commerce/boards/contractors/documents/MasonryLawNoticeWeb.pdf>

Subcontractors Exempt from License Requirements

A subcontractor is defined as those bidding directly to a licensed prime (general) contractor and not with the owner. A contractor's license is NOT required by all subcontractors, **UNLESS**, the subcontractors are those performing: **electrical, mechanical, plumbing or HVAC work in excess of \$25,000, or masonry (including materials and labor) in excess of \$100,000**. Subcontractors typically exempt from the license requirements are those performing projects such as: painting, roofing, excavation, etc. where they are not contracting directly with the owner, but contracting with a licensed prime (general) contractor overseeing the project.

Violations

A contractor who contracts, offers to engage, bids or obtains a permit without the required license or proper classification and monetary limit, is in violation of T.C.A. §62-6-120. Therefore, would be ineligible to be awarded the project, **may not receive a license for six (6) months, cannot participate in any rebidding of the project, and subject to civil penalties.**

Bidding requirements entail listing the license name, number, expiration date and the classification pertaining to bid, on the outside of the bid envelope. (Refer to T.C.A. §62-6-119.)

A prime contractor who lists a subcontractor not properly licensed as required, would not be allowed to be awarded the project and also in violation for accepting their bid (see T.C.A. § 62-6-120)

License Confirmation from Subcontractors

Pursuant to Rule 0680-1-.24, the subcontractor is responsible for furnishing evidence of their license information to ensure the correct name, license ID#, classification and monetary limit is acceptable for them to bid and perform the project. The law prohibits listing more than one (1) subcontractor for each field (discipline). **Failing to list a properly licensed subcontractor could cause the entire bid to be rejected!** Details of license may be confirmed from our website at: <http://verify.tn.gov/>

Reciprocal Agreements

A contractor must have a Tennessee contractor's license prior to bidding or offering to engage. A trade exam waiver exists with several bordering states. See the "[Reciprocation](#)" information from the Board's website. The "[Bid Preference Law](#)" for our state requires the same of nonresident contractors as they do of resident contractors. This statute is found in T.C.A. 12-4-801 and states in part, should the bidder on a public construction project in this state be a resident of another state contiguous to Tennessee, a like reciprocal preference is allowed.

Legislative Updates (2010 Session)

Public Chapter 768 (Masonry – Bid Envelope)

Effective **July 1, 2010**, this legislation adds the requirement in T.C.A. §62-6-119 to now require all bidders to list the **masonry contractor on the outside of their bid envelope**, when the value of the masonry work is in excess of \$100,000, including materials and labor. (See *Public Chapter 950 for license requirements in effect for January 1, 2010.*)

Public Chapter 801 (Electronic Bids)

This bill primarily clarifies the acceptance of electronic bids and was effective the date of passage (**April 5, 2010**), by requiring the same license information to be included on electronic bids as on the outside of the bid envelope. It also prohibits awarding authorities from requiring information to be supplied for subcontractors prior to the bid date.

Note: This amendment also deleted the requirement to list the TDEC geothermal subcontractor's license information on the bid; however, this is scheduled to be reinstated 2011 legislative session. Awarding authorities may continue to require this information.

Public Chapter 950 (Masonry Classification and Exam)

This law amends T.C.A. § 62-6-111(a)(1)(B), by requiring the Board to develop a masonry competency exam by **September 1, 2010**. This exam will be required for a contractor to obtain a license classification as a Licensed Masonry Contractor (LMC), in order to be listed on the outside of the bid envelope after ***January 1, 2011**. In addition, the law prohibits grandfathering current licensed masonry contractors, those with a "BC-9" classification. Therefore, current licensees must also take the exam and apply for a license revision to obtain a LMC license classification before they may be listed on the outside of the bid envelope to perform projects \$100,000 or more (*including materials and labor*). Current masonry contractors may want to also consider obtaining a license revision to increase their monetary limit.

**Effective date requiring masonry "subcontractors" to be licensed is January 1, 2011*

This Public Chapter also amends T.C.A. §62-6-102 which requires masonry subcontractors to be licensed effective **January 1, 2010** and would also require their **name, license number, classification** and **expiration date** to be listed on the outside of the envelope, as stated in Public Chapter 768 in T.C.A. §62-6-119.

Any bid without this information on the envelope should not be opened and disqualified. (*Note: It is encouraged to supply the prime contractor with a copy of your license certificate or a printed copy from the "License Search" of the website at: <http://verify.tn.gov/> to ensure the license information is listed correctly, as required in Rule 0680-1-.24 and 25. Failing to list properly would be a violation of the law, T.C.A. §62-6-120 and Rule 0680-1-.18*)

PUBLIC CHAPTER 875 (Retainage)

Amends T.C.A. § 66-34-104, in the event that the party withholding the retained funds fails to deposit the funds into an escrow account.

(The amount of retainage an owner can withhold from any construction contract (public or private) is limited to 5 percent (was 10 %), if the "prime" contract is more than \$500,000. See the full law for penalties.)

The following are excerpts from the law, rules and regulations, as of January 1, 2011:

62-6-111. License and examination, etc. (Classification Required)

(d) A contractor may bid on a contract requiring work in a classification or classifications other than the one in which the contractor is licensed if and only if the contractor has a **commercial** building contractor's license or if such contractor's license will permit the contractor to perform at least sixty percent (**60%**) of the bid amount or price of the work for the project being bid or priced. However, such contractor may not actually perform any work in excess of twenty-five thousand dollars (\$25,000) or in the case of a limited licensed electrician where the amount of work is less than twenty-five thousand dollars (\$25,000) in any classification unless the contractor has a license to perform work in such classification.

- Note: A Commercial (BC) contractor could not bid without listing a properly licensed subcontractor for: Electrical, Plumbing, HVAC, Mechanical, or Masonry.
- While many mechanical or electrical license classifications may not be required to be listed on the bid envelope, there remains a license requirement for subcontractors performing projects over \$25,000 such as: **Fire Sprinklers; Gas Piping; Boiler Construction; **Alarm Systems; Telephone Lines; Cabling; Fire Detection Systems, etc.

**See the classification outline for other agencies license requirements at:

<http://tn.gov/commerce/boards/contractors/documents/ClassificationOutlineWeb.pdf>

62-6-119. Bid documents — Required disclosures by bidders —

(a) Any person or entity preparing plans, specifications or any other documentation for inclusion in an invitation to bid or comparable bid document including any electronic bidding documents, shall reference this chapter in such documentation and a specific statement informing the invited bidder that it is necessary for such bidder to provide evidence of compliance with the applicable provisions of this chapter before such bid may be considered.

(b) The person or entity involved in the preparation of the invitation to bid or comparable bid documents **including any electronic bid** documents shall direct that the **name, license number, expiration date thereof, and license classification** of the contractors applying to bid for the **prime** contract and, (*for the masonry contract where the total cost of the **masonry portion** of the construction project exceeds \$100,000, materials and labor,*) electrical, plumbing, heating, ventilation, and air conditioning contracts, appear on the outside of the envelope containing the bid or in the submission of an electronic bid **except when the bid is in an amount less than twenty-five thousand dollars (\$25,000).**

Only one (1) contractor in such classification may be listed. Prime contractor bidders who are to perform the masonry portion of the construction project which exceeds one hundred thousand dollars (\$100,000), materials and labor, the electrical, plumbing, heating, ventilation and air conditioning must be so designated upon the outside of the envelope or in the electronic bid. Failure of any bidder to comply therewith shall void such bid and such bid shall not be considered. It is the duty and responsibility of the awarding person or entity who received the envelope containing the bid or the electronic bid to verify only the completeness of the required licensure information. Prior to the opening of the envelope or acceptance of an electronic bid, the names of all contractors listed thereon or therein shall be read aloud at the official bid opening and incorporated into the bid.

Prior to awarding a contract, the awarding person or entity and its authorized representatives shall verify the accuracy, correctness and completeness of the information required hereby. The failure of any bidder to comply with all of the provisions hereof shall automatically disqualify such bid. However, bids administered by the Tennessee department of general services shall require that the information be furnished within the bid or bid document only. When the bid is less than twenty-five thousand dollars (\$25,000), the name of the contractor only may appear on the outside of the envelope containing the bid or in the electronic bid document, and upon opening the envelope or review of the electronic bid, if such bid is in excess of twenty-five thousand dollars (\$25,000), the same shall automatically be disqualified.

(c) No invitation to bid may require that:

(1) Any subcontractor be identified, listed or designated until the final bid submission by the prime contractor; and

(2) Any prime contractor accept the bid of any subcontractor until the final bid submission by the prime contractor.

(d) Any person or entity, public and private, failing to observe this section shall be penalized in the same manner as any person under §62-6-120 who accepts a bid from a person who is not licensed in accordance with the provisions of this chapter.

(e) Notwithstanding the Uniform Administrative Procedures Act, compiled in title 4, chapter 5, relative to the amount of civil penalties that may be imposed, the board may impose a civil penalty not to exceed five thousand dollars (\$5,000) for any violation of this section.

62-6-120. Penalties **(see also Rule 0680-01.18)*

(a)(1)Any person, firm or corporation who engages or offers to engage in contracting without a license as required by § [62-6-103](#), or who violates the terms and conditions of any license or renewal granted by the board pursuant to this chapter, commits a Class A misdemeanor. The penalties imposed by this subdivision shall not apply to a person who engages a contractor without a license for the purpose of constructing a residence for the use of such person.

(2)Any person, firm or corporation who engages or offers to engage in contracting without a license as required by § [62-6-103](#) is ineligible to receive such license until six (6) months after a determination by the board that a violation has occurred. ***Additionally, no such person, firm or corporation shall be awarded any contract for the project upon which it engaged in contracting without a license or permitted to participate in any rebidding of such project.**

(b) Any person, firm or corporation who accepts a bid in excess of twenty-five thousand dollars (\$25,000) from a contractor who is not licensed, with appropriate classifications and sufficient monetary limitations, or in the case of a limited licensed electrician where the amount is less than twenty-five thousand dollars (\$25,000), in accordance with the provisions of this chapter, commits a Class A misdemeanor.

(c) (1) No official of the state other than of the department of transportation shall issue a permit or contract work order to any applicant therefore, to engage in contracting, unless the applicant holds a license as a contractor with appropriate classifications and sufficient monetary limitations, in accordance with the provisions of this chapter.

- (2) Any official violating this subsection (c) commits a Class A misdemeanor.
- (d) Any individual or entity that fails to pay a civil penalty assessed by the board pursuant to the terms of a final order entered by the board after a contested case hearing against the individual or entity pursuant to the Uniform Administrative Procedures Act, compiled in title 4, chapter 5, may be referred to a collection agency.
- (e) Failure to pay any civil penalty assessed by the board shall subject the individual or entity to suspension or revocation of a license issued pursuant to this part.

66-34-103. Withholding of retainage Violations Penalties.

- (a) All construction contracts on any project in this state, both public and private, may provide for the withholding of retainage; provided, however, that the retainage amount may not exceed five percent (5%) of the amount of the contract.
- (b) The owner, whether public or private, shall release and pay all retainages for work completed pursuant to the terms of any contract to the prime contractor within ninety (90) days after completion of the work or within ninety (90) days after substantial completion of the project for work completed, whichever occurs first. As used in this subsection (b), work completed shall be construed to mean the completion of the scope of the work and all terms and conditions covered by the contract under which the retainage is being held. The prime contractor shall pay all retainages due any subcontractor within ten (10) days after receipt of the retainages from the owner. Any subcontractor receiving the retainage from the prime contractor shall pay to any subsubcontractor or material supplier all retainages due the subsubcontractor or material supplier within ten (10) days after receipt of the retainages.
- (c) Any default in the making of the payments shall be subject to those remedies provided in this part.
- (d) In the event that an owner or prime contractor withholds retainage that is for the use and benefit of the prime contractor or its subcontractors pursuant to § 66-34-104(a) and (b), neither the prime contractor nor any of its subcontractors shall be required to deposit additional retained funds into an escrow account in accordance with § 66-34-104(a) and (b).
- (e) (1) It is an offense for a person, firm or corporation to fail to comply with subsection (a) or (b) or § 66-34-104(a).
- (2) (A) A violation of this subsection (e) is a Class A misdemeanor, subject to a fine only of three thousand dollars (\$3,000).
- (B) Each day a person, firm or corporation fails to comply with subsection (a) or (b) or § 66-34-104(a) is a separate violation of this subsection (e).
- (C) Until the violation of this subsection (e) is remediated by compliance, the punishment for each violation shall be consecutive to all other such violations.
- [Acts 2007, ch. 201, § 3; 2008, ch. 804, § 3.]

Bid Preference Law

12-4-801. Definitions. — As used in this part, unless the context otherwise requires:

- (1) “Public construction project” means and includes a public works project as defined in title 9, chapter 21;
- (2) “Responsible bidder” means a person who has the capacity in all respects to perform fully the contract requirements, and the integrity and reliability which will assure good faith performance; and
- (3) “Responsive bidder” means a person who has submitted a bid which conforms in all material respects to all documents, whether attached or incorporated by reference, utilized for soliciting bids. [Acts 1990, ch. 1062, § 2.]

12-4-802. Allowance of bidding preferences — Reciprocity. —

Whenever the lowest responsible and responsive bidder on a public construction project in this state is a resident of another state which is contiguous to Tennessee and which allows a preference to a resident contractor of that state, a like reciprocal preference is allowed to the lowest responsible and responsive bidder on such project who is either a resident of this state or is a resident of another state which does not allow for a reference to a resident contractor of that state. [Acts 1990, ch. 1062, § 3.]

Bidding Rules and Regulations

0680-01-.13 MONETARY LIMITATIONS.

Subject to such tolerance, no contractor shall engage, or offer to engage, in any project of which the cost (including all material and labor furnished by or through another source other than the owner) would exceed the monetary limitation placed on his license. If a contractor holds a license with more than one classification with different monetary limit, the monetary limits shall not be combined to bid a project. There is a 10% bid tolerance.

0680-01-.18 UNLAWFUL BIDDING. (see also T.C.A. § 62-6-120)

Unlawful Contracting. No person, firm or corporation who engages or offers to engage in contracting" (as defined in T.C.A. § 62-6-102) without a valid contractor's license, or in violation of the terms and conditions of such license, **shall be awarded any contract for the project, upon which it engaged in contracting without a license, or permitted to participate in any re-bidding of the project.**

0680-01-.24 BIDDING PROCEDURES.

(1) Pursuant to T.C.A. §§ 62-6-119(b), electrical, plumbing, heating ventilation and air conditioning subcontractors bidding to a prime contractor shall furnish evidence of a license with appropriate classification and monetary limit, regardless of how the bid is transmitted; provided however failure to comply with this rule shall not require nonconsideration of the LICENSING subcontractor's bid if appropriately licensed, but said subcontractor shall be subject to discipline by the Board.

(2) Any prime contractor submitting a bid pursuant to T.C.A. § 62-6-119(b) shall list only one electrical contractor, one plumbing contractor, and one heating, ventilation air conditioning contractor with appropriate classification and monetary limit or the bid shall not be considered. Award of the subcontract to one not listed on the base bid envelope in violation of T.C.A. § 62-6-119 will be subject to review and disciplinary action by the Board.

(Rules pending to include "masonry" as drafted from the November 17, 2010 Rulemaking Hearing)

0680-01-.25 CONTRACTING IN CORRECT NAME.

Upon receiving certificate of licensure from this Board, the licensee has an affirmative responsibility to enter into contracts and operate its related contracting business under the name in which it is licensed in order to notify and prevent confusion on the part of the public at large of an entity's licensure status. Contracting in a name different than that in which an entity is licensed by this Board is considered a violation of this chapter, and will be subject to discipline accordingly.

Most Common Reasons for Bid Rejection

The following are the most frequent inquiries we receive which end up as law violations and provide a reason for rejection or protest by another bidder:

- Bid in name other than as licensed
- Owner of the licensed entity bid in the name of a separate unlicensed subsidiary business
- Bid as a corporation or LLC and licensed as a sole proprietor
- Prime contractor listed a subcontractor's name other than as licensed
- Prime contractor listed an improperly or unlicensed subcontractor
- Bid in excess of their contractor's license monetary limit over 10%
- Bid prior to the license getting renewed (must wait until license is approved for issuance)
- Bid a 3 to 5 year contract with a total cost over their monetary limit
- Bid over limit by not including profit or the cost of land in the total contract

License Search Tips and Status Definitions

Always check to ensure the license is current and not expired. You may check from the "License Search" tools on the Board's website or directly at: <http://verify.tn.gov/> The following is offered as tips to searching a license, as well as the ways to check the status.

Status, Expiration Date, Type & Name

Always check the "**Status**" and the "**Expiration Date**" to see if the licensee is properly licensed, as well as the "**Name**" and the type of license (*all licenses look the same*). Therefore, make sure the person acting as a "Contractor" has this Tennessee license and not an "Auctioneer"; "Land Surveyor" or "Fire Sprinkler", etc., licenses from another Division. In addition, only the entity or individual issued the license may use the license. Therefore, family members cannot all work individually under one license, unless they are employees, owners or officers authorized on the license. For example, "John Doe" could not operate as "Doe's Quality Building" and use his sister's license, "Mary Doe's Construction". He could work as an employee for Mary Doe's Construction, but cannot contract or perform work under his own business. Contractors from other states must obtain a Tennessee license.

Search Tips

Licenses for all of our contractor license programs, along with others within the Division of Regulatory Boards, are all listed on the "License Search" site at: <http://verify.tn.gov/>

The Board for Licensing Contractors has various professions: **Contractors, Home Improvement, Limited Licensed Electricians and Limited Licensed Plumbers**. All of our licensees, except for "Limited Licensed Plumbers", are searchable online by the "**Last 'Name/Firm'**" field", only, since licenses are issued to sole proprietors, partnerships, corporations and LLC organizations. It will not recognize the "First" name field, except for the "Limited Licensed Plumbers" who are only licensed as individuals. Also, the system is very sensitive and licensees will only display if entered in the exact correct name as licensed or best to use only one field, such as the license number. If you do not know the number, then it is best to enter "part" of the name, only. You may use the special search tool (percentage (%) sign) in front of the name (*this site does not allow cross referenced searches by the "individual" owners of the license if they are using a "business" entity name.*) In addition, you may perform a search by the "**License #**". License numbers are duplicated, but not within the same program. Unless you limit a search to a "Profession" such as "Contractors", it will bring up all licensees with the same license number (*Accountants, CPA's, Auctioneers, Architects, Barbers, Home Improvement, etc.*).

The following are tips to assist in looking up a from the website:

- For best results, search by only one (1) criteria, using partial information in one field, such as: Doe Construction - search by entering only **%Doe** in the first "Firm Name", only;
- Licensees as Contractors, Home Improvement, and Limited Licensed Electricians are licensed as organizations by "**Firm Name**"; do not enter a "First" name section;
- If there is a period (.) in the name, include as part of the search unless using the % tool
- Should they hold a license as: "Doe, John", enter "Doe" as the firm name or try "John" (*depends on how they've been approved for a license and entered on their application*)
- If you know only part of the name, you may enter a percent sign % in front of the name, such as: %Jon - and it will bring up all licenses with "Jon" in the name; and
- You may limit your search to a certain profession by scrolling to only one, such as: Contractors
- Limited Licensed Electricians; Home Improvement; Limited Licensed

Details of Licensees

After pulling up a licensee, you may check details on the licensee such as their status and expiration date. For "Contractors", you may also look up their license classification and monetary limit by clicking onto "**Details**" box next to the "License #". The "status" is actually tied to our Board's database, and the last transaction of the licensee. Therefore, you must also rely on the **expiration date**. Changes processed during the day will not show up until the next business day (*updated within 24 hours*).

The following are status codes:

- **Active w/ Current Expiration Date - Acceptable**
 - Active and has a current un-expired date; considered properly licensed.
 - Active status with an expiration date; considered unlicensed. They have renewal rights but cannot operate, contract or bid on projects, regardless of active status.
 - Active status, but shows license **expired** means they may have submitted a renewal, but it has not been approved for issuance due to lacking required information; or submitted late. Typically takes 30 days to process. Considered **unlicensed** if their **expiration date** is not current.

Active licensees may only operate if their expiration date is also current and has not expired or retired. There is not a grace period to allow working on a license while the renewal is pending for issuance.

- **App in Proc (Application in Process)**
 - Application for a new license has been received and awaiting Board review for approval and issuance. Licensee cannot operate until Board meets and license issued with current expiration date.
 - Only exception is for “**Hardship**” approvals

Classification and Monetary Limit Details

Only the “Contractors” profession with our program is assigned license **classifications** and **monetary limits**. To check the classification codes of a contractor, you may go to the Board’s website and click onto [“Contractor Classifications Outline”](#)

For example, a contractor building residential homes would need a classification as: BC-A (residential); or BC or BC-B (commercial); Electrical contractors would have a CE classification; etc. (see “Contractor Classifications Outline” for more examples). A contractor is limited to performing work based on their **classification** and **monetary limit**.

All other licensee professions: Limited Licensed Electricians; Limited Licensed Plumbers; and Home Improvement Contractors; are limited to projects **less than \$25,000** and do not have classifications or monetary limits designated on the details.

Resources

Board for Licensing Contractors Website

<http://tn.gov/commerce/boards/contractors/index.shtml>

To review the Statute:

<http://www.michie.com/tennessee/>

To review the Rules:

<http://www.state.tn.us/sos/rules/0680/0680.htm>

Board of Architectural and Engineers

<http://tn.gov/commerce/boards/ae/index.shtml>